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July 31, 2002

Honorable James H. Welsh
Commissioner of Conservation
State of Louisiana
Post Office Box 94275
Baton Rouge, Louisiana 70804-9275

RE: HEARING APPLICATION
Hosston 8834' Zone, Reservoir A
Ruston Field, Lincoln Parish, Louisiana
Our File No. 230500.0033

Dear Sir:

On behalf of CSC ENERGY CORP., application is hereby made for a public hearing to receive evidence concerning the issuance of an order pertaining to the following matters relating to the Hosston 8834' Zone, Reservoir A, in the Ruston Field, Lincoln Parish, Louisiana:

1. To establish rules and regulations and create a single drilling and production unit (to be designated as HOSS 8834' RA SUA) for the Hosston 8834' Zone, Reservoir A, in the Ruston Field, Lincoln Parish, Louisiana, as shown on the plat attached hereto.
2. To force pool and unitize all separately owned tracts, mineral leases, and other property interests within said unit, with allocation of production from the unit well to the tracts within the unit therefor to be on the basis of surface acreage.
3. To designate CSC Energy Corp. as the unit operator and to designate the CSC Energy Corp. - Armstrong No. 1 Well as the unit well for the proposed HOSS 8834' RA SUA to be created hereby, at the location shown on the plat attached hereto.
4. To provide that any future wells drilled to the Hosston 8834' Zone, Reservoir A, in the Ruston Field, within or outside the units created herein shall be located no closer than 1000 feet to any unit boundary and no closer than 2000 feet to any other well drilled to, completed in, or permitted for the Hosston 8834' Zone, Reservoir A.

5. To consider such other matters as may be pertinent.

The Hosston 8834' Zone, Reservoir A, in the Ruston Field, Lincoln Parish, Louisiana, is defined as that gas and condensate bearing interval between the depths of 8834 feet and 8885 feet (electric log measurements) in the CSC Energy Corp.-Armstrong No. 1 Well located in the SW/4 of Section 5, Township 18 North, Range 3 West, Lincoln Parish, Louisiana.

Pertinent data concerning the intended application will be made available for inspection at the offices of CSC Energy Corp., 416 Travis Street, Suite 1401, Shreveport, Louisiana 71101. Any person wishing to inspect such data should call Mr. Joel Chevalier at (318) 221-5625, during normal business hours or write Mr. Chevalier at the above address, in order to arrange a date and time for such inspection. A copy of any such pertinent data can be obtained at the expense of the requesting party.

A list of the names and addresses of all Interested Owners, Represented Parties and Interested Parties (as defined in the Rules of Procedure) is attached hereto, and a copy of this notice, with the annexed plat, is being sent to each of such persons. A reasonable effort has been made to determine that the enclosed list includes all of the persons to whom this notice must be sent under the Rules of Procedure.

By Pre-Application Notice dated July 19, 2001, applicant advised the Commissioner of Conservation, the District Manager and all Interested Owners, Represented Parties and Interested Parties of applicant's intention to apply for the hearing which is the subject of this application. Applicant received no request for a conference, and accordingly, no conference will be held.

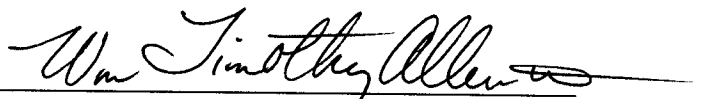
A check in the amount of \$700.00 made payable to the Commissioner of Conservation is enclosed herewith as the statutory fee for holding the requested hearing.

This application is being filed in duplicate, and a copy hereof is being sent to Mr. James C. Broussard, Shreveport District Manager of the Office of Conservation and to each Interested Owner, Represented Party and Interested Party whose name is shown on the attached list.

Very truly yours,

BLANCHARD, WALKER, O'QUIN & ROBERTS

By:



Wm. Timothy Allen III
Attorneys for CSC Energy Corp.

WTAM:bp
Enclosures

cc: Mr. James C. Broussard, Shreveport
District Manager (w/enclosures)
cc: Interested Owners, Represented Parties
and Interested Parties (w/copy of plat only)

